



STATE OF DELAWARE

PUBLIC SERVICE COMMISSION

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MEMORANDUM

TO: The Chairman and Members of the Commission

FROM: Joshua Bowman, Public Utility Analyst

DATE: March 11, 2020 *JB*

SUBJECT: IN THE MATTER OF THE APPLICATION OF SUSSEX SHORES
WATER COMPANY FOR A CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY TO PROVIDE WATER SERVICES
PURSUANT TO 26 DEL. C. § 203C ("CEDAR SHORES
CONDOMINIUM PROJECT")
(FILED FEBRUARY 11, 2020) – PSC DOCKET NO. 20-0141

On February 11, 2020, Sussex Shores Water Company ("SSWC" or the "Company") filed an application ("Application") with the Delaware Public Service Commission (the "Commission") pursuant to 26 *Del. C.* § 203C(e)(1)b.2 seeking a Certificate of Public Convenience and Necessity ("CPCN") to provide water services to the Cedar Shores Condominium Complex ("Cedar Shores") in Ocean View, Delaware. Cedar Shores consists of three parcels of land in Sussex County, Delaware, known as Tax Map Parcel Nos. 134-8.00-153.00, 134-8.00-153.01, and 134-8.00-153.02 (the "Proposed Service Area").

As required by 26 *Del. C.* § 203C(e)(1)b.2, 26 *Del. C.* § 203C(g)(1), and the Commission's Regulations Governing Certificates of Public Convenience and Necessity for Water Utilities, 26 *Del. Admin. C.* § 2002 (the "Regulations"), the Application contains the following documentation: (1) copies of the petition signed by the only landowner of record (i.e.; the Cedar Shores Condominium Association, Inc.) encompassed in the Proposed Service Area requesting to be included in the Proposed Service Area; (2) proof that the president of the condominium association is authorized to sign the petition for water service; (3) a copy of the notice of the application that was provided to all

condominium unit owners; (4) a list with the County tax map parcel identification numbers of the properties and identification of the landowners of record included in the Proposed Service Area; and (5) copies of the associated maps clearly marking the Proposed Service Area. Additionally, the Application contains SSWC's statement that its expansion of service to the Proposed Service Area will comply with the water pressure requirements of 26 *Del. C.* § 403(a) and (b) and that SSWC is not barred by any of the restrictions set forth in 26 *Del. C.* § 403(c).

On February 13, 2020, SSWC filed a request for a waiver of the publication requirement set forth in 26 *Del. Admin. C.* § 2002 – 10.7, specifically the requirement that within 10 days of filing the Application, notice of the Application be published in two newspapers of general circulation. It is Staff's position that because of the separate statutory framework for notification to condominium associations and because the only landowner is the condominium association, who passed a resolution supporting the Application and whose president signed the petition requesting water service, the newspaper publication requirements of 26 *Del. Admin. C.* § 2002 – 10.7 are not necessary as it pertains to this Application.

Staff reviewed the Application to ensure compliance with the statutory provisions of 26 *Del. C.* § 203C and the Regulations. No errors or omissions were found. Finally, to determine whether the Commission should deny the requested CPCN as set forth in 26 *Del. C.* § 203C(f), Staff solicited comments from the Delaware Department of Natural Resources and Environmental Control ("DNREC"), the Office of the State Fire Marshal ("SFM"), and the Office of Drinking Water of the Division of Public Health ("ODW"). SFM, ODW, and DNREC responded and confirmed they have no issues relating to SSWC's ability to provide safe, adequate, and reliable water services to its existing customers.

In summary, as long as the Commission grants SSWC's waiver request, SSWC has submitted the necessary proof required by the provisions of 26 *Del. C.* § 203C(e)(1)b.2, 203C(e)(3), 203C(g)(1) and the Regulations for issuance of a CPCN. Staff also finds no reason to deny the Company a CPCN under the provisions of 26 *Del. C.* § 203C(f) and Staff supports the waiver request. Therefore, Staff recommends that the Commission grant the waiver of the requirements of 26 *Del. Admin. C.* § 2002 – 10.7, and in turn grant the Application.

SUSSEX SHORES WATER COMPANY
Docket No. 20-0141 "CEDAR SHORES CONDOMINIUMS"
March 18, 2020



